GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA

UNSTARRED QUESTION NO:1279
ANSWERED ON:10.03.2005
LOSS SUFFERED BY INDIAN AIRLINES
Adsul Shri Anandrao Vithoba

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether the Indian Airlines has suffered several crores in the first half of the fiscal year 2004-05;

(b) if so, the facts and the reasons therefor; and

(c) the steps taken by the Government to make Indian Airlines profitable?

Answer

MINISTER OF STATE(INDEPENDENT CHARGE) OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL)

(a): Indian Airlines has incurred an estimated loss of Rs. 66.40 cfrores during the first half (April-September, 2004) of the fiscal year 2004-05. This loss is substantially lower than Rs. 103.50 crores incurred in the corresponding period of previous year 2003-04.

(b): The loss of Rs. 66.40 crores during first half of 2004-05 is mainly because of steep increase in ATF prices during the year. The domestic ATF price increased to Rs. 29,800/- per kilo litre in September 2004 as compared to Rs. 21,530/- per kilo litre applicable during March, 2004.

(c): Indian Airlines has been encouraged to take various economy measures and is working out strategies from time to time on an on-going basis` to improve its financial performance.